

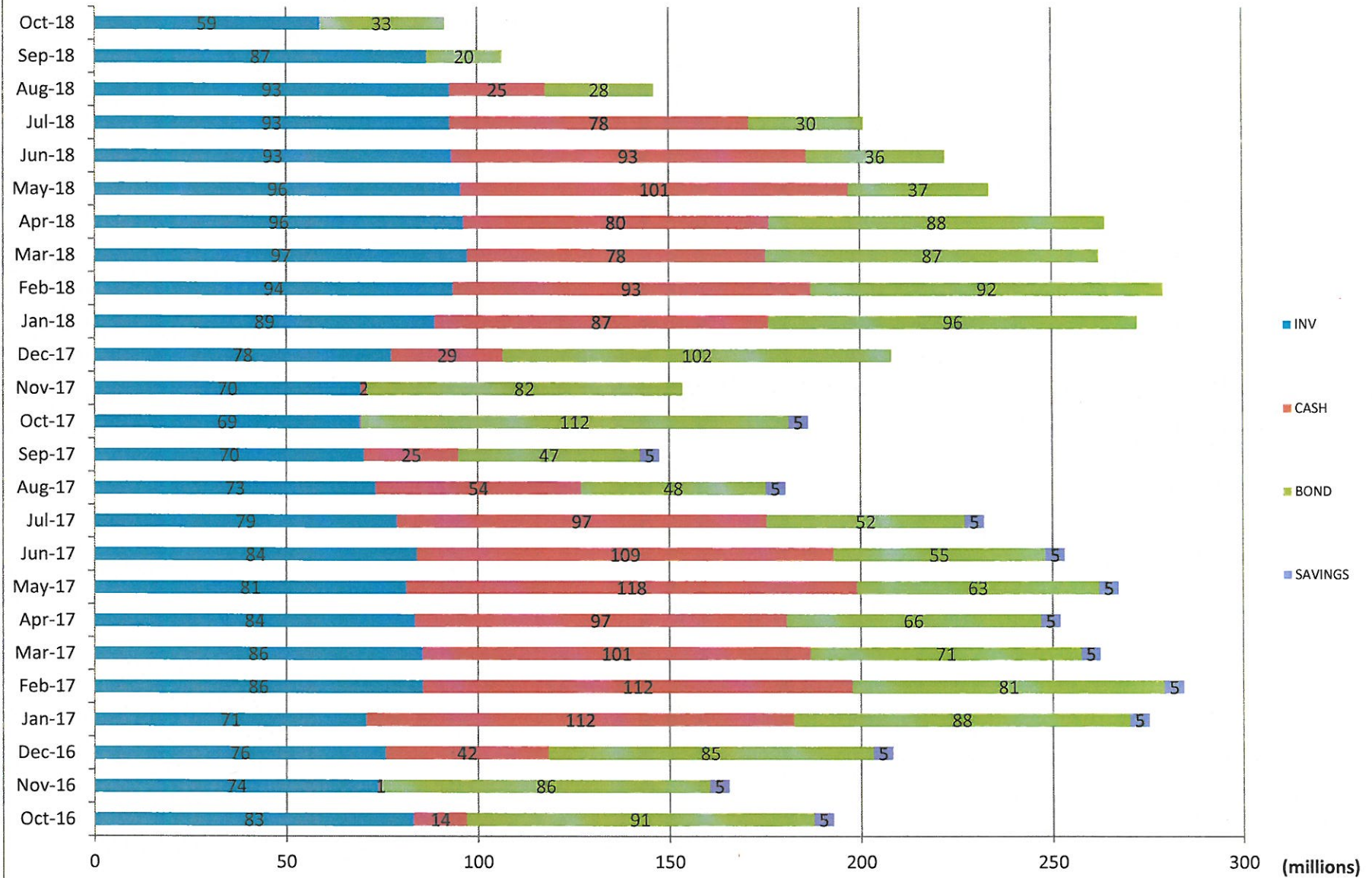
Louisville Metro Investment Council



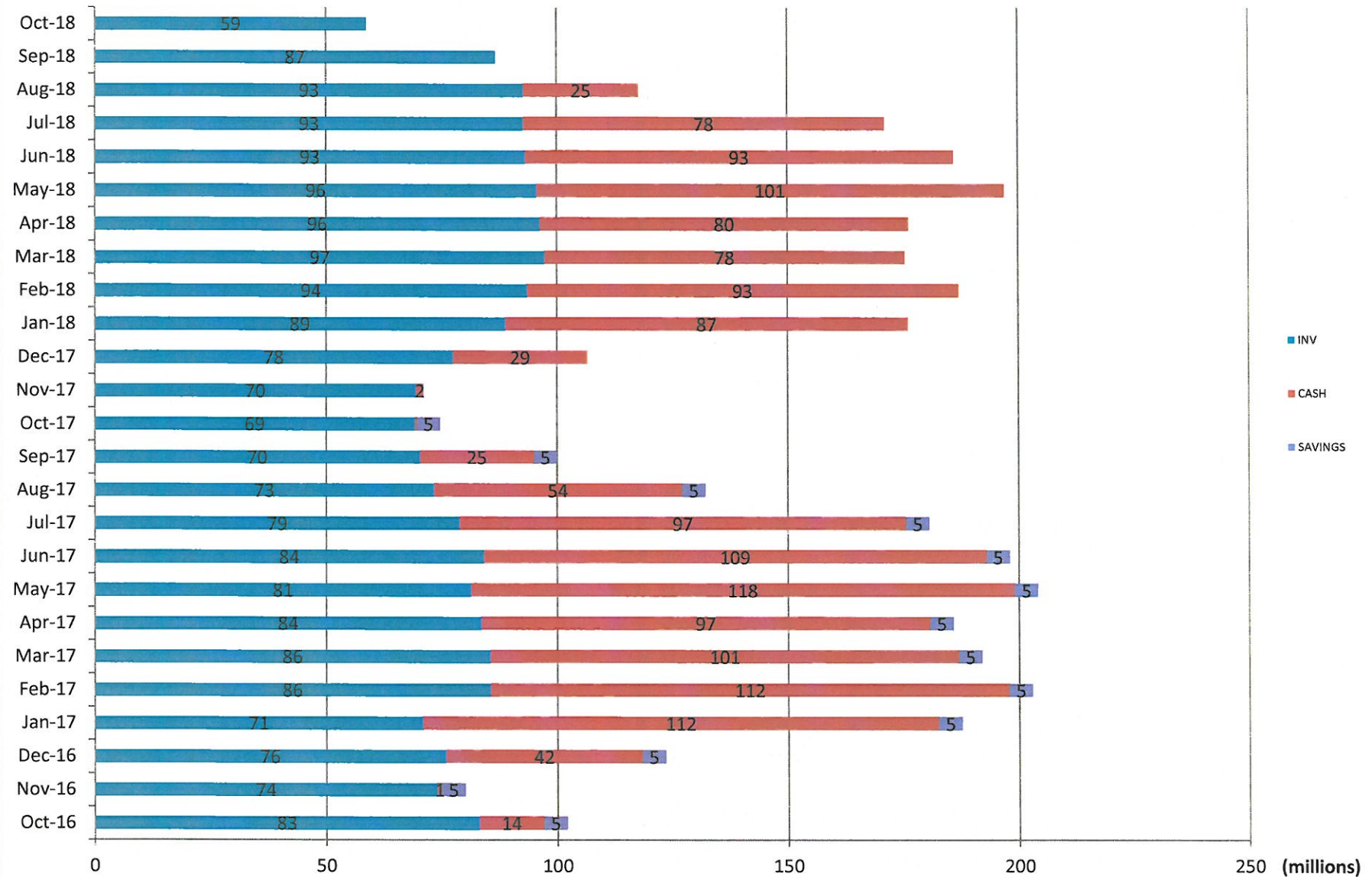
November 12, 2018

PORTFOLIO COMPOSITION

Metro Total Cash Position as of 10/31/18



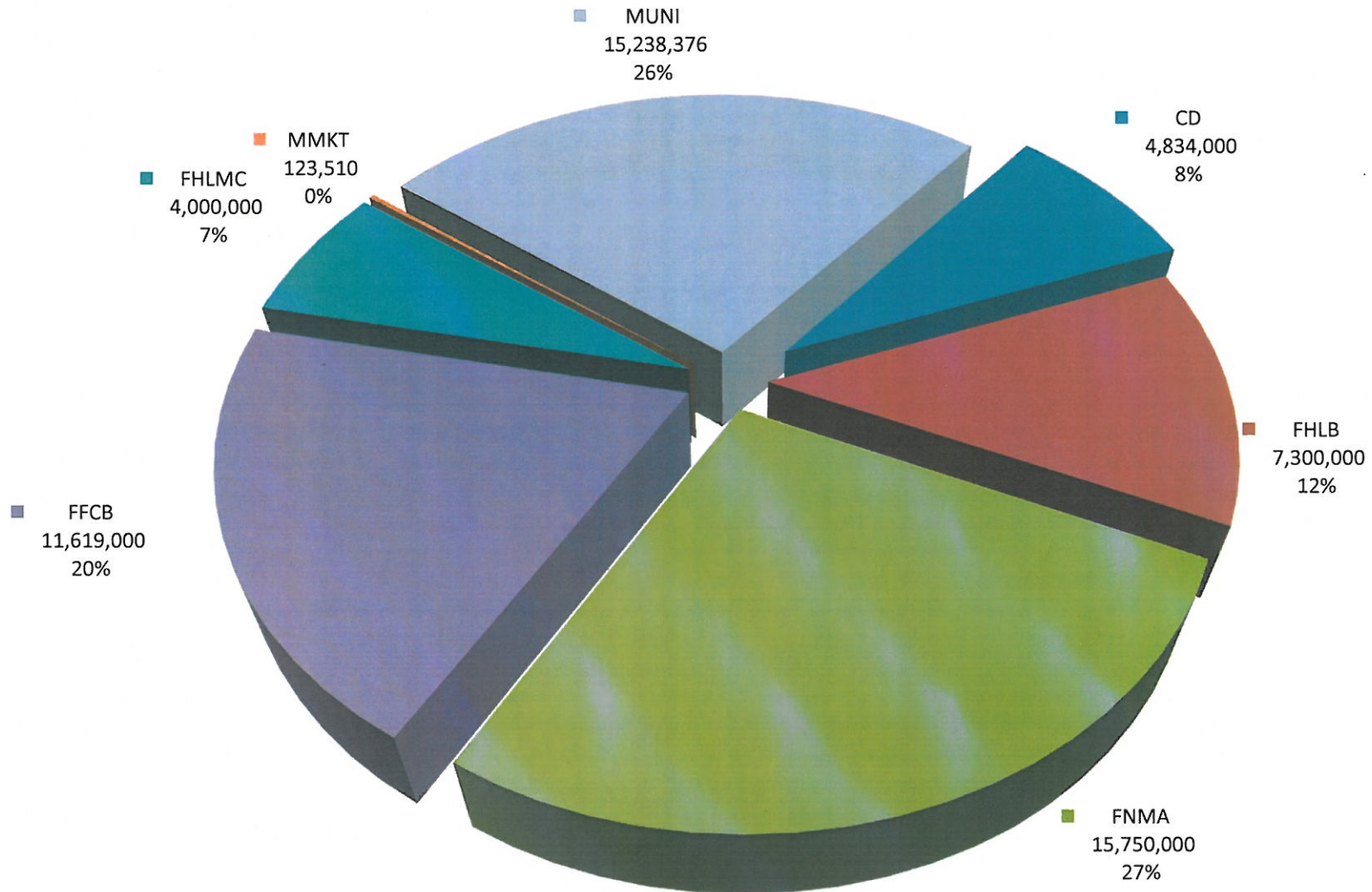
Metro Cash Position (Excluding Bond Proceeds) as of 10/31/18



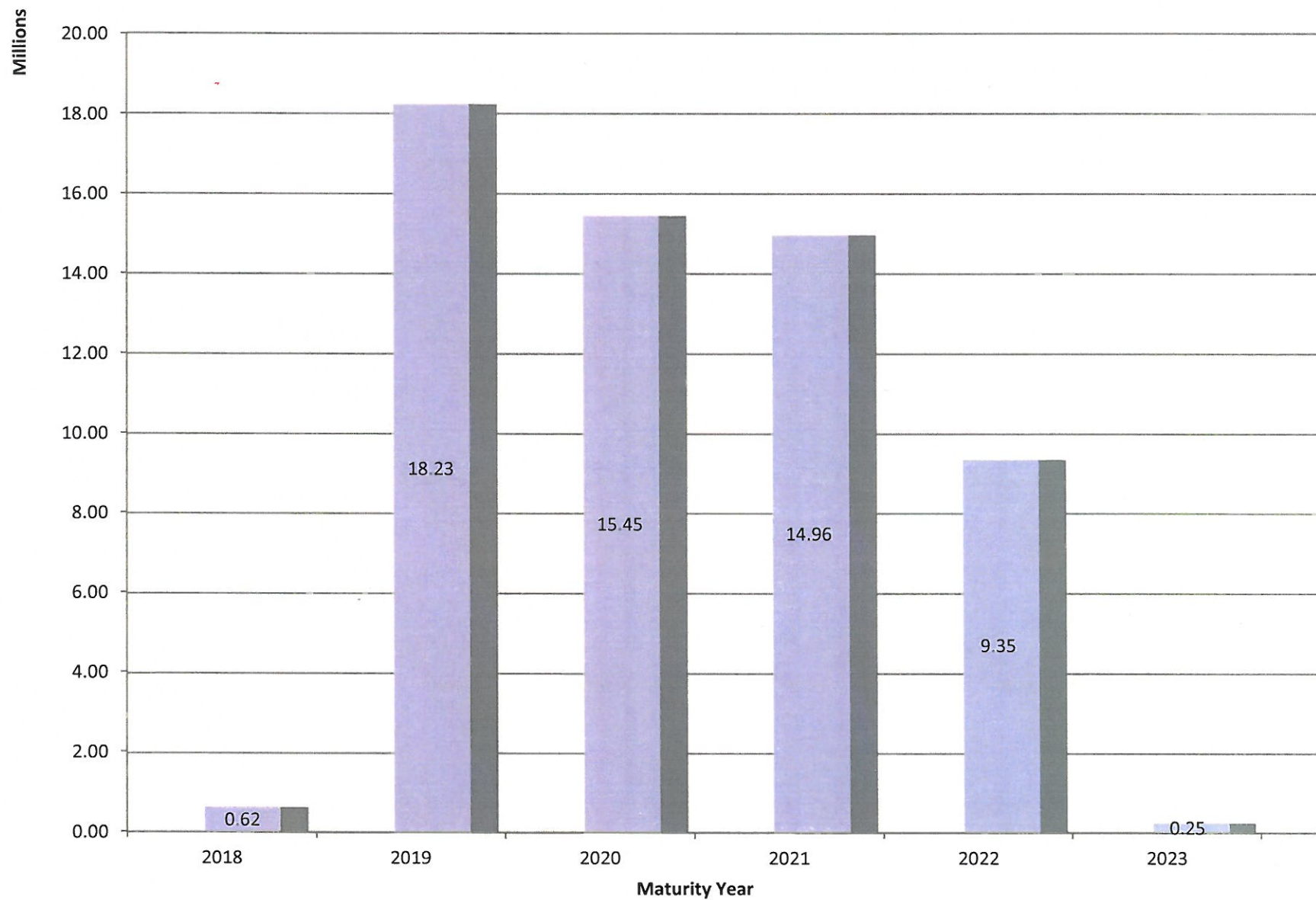
Acc Int / Amort / Mkt Val
Lou / Jeff Cty Metro Finance
Effective Interest - Callable Life
Receipts in Period
10/31/2018

	Invest Number	CUSIP	Security Description	Call Date	Purchase Date	Ending Par Val/Shares	Ending Amor Val/Cost	Ending Market Val	Amortization Purch/Date	PTD Purch Received	Int/Div Rec Purch/Date	Int/Div Accrued Purch/Date	Purch Int + Acc Int
Cash	AR-0046	METRO CONC 53- 714868609	Cash Account	Open	09/22/08	-677,156.02	-677,156.02	-677,156.02	0.00	0.00	909,479.87	0.00	0.00
	AR-0054	METRO SAFEKEEPING - 1050996303	Cash Account	Open	12/30/16	189,993.42	189,993.42	189,993.42	0.00	0.00	44,680.10	0.00	0.00
	Cash Total					-487,162.60	-487,162.60	-487,162.60	0.00	0.00	1,330,056.70	0.05	0.05
Certificate of Deposit	18-0051	YCB 1499	YCB 0.1499 10/23/18	Open	11/23/17	250,000.00	250,000.00	250,000.00	0.00	0.00	312.13	31.23	31.23
	18-0057	02007GAQ6	ALLY BK UTAH 2.25 01/27/20	Open	01/25/18	250,000.00	250,000.00	250,000.00	0.00	0.00	2,789.38	1,546.88	1,546.88
	18-0058	211163GW4	CONT BANK UTAH 2.10 07/26/21	Open	01/26/18	250,000.00	250,000.00	250,000.00	0.00	0.00	2,603.42	1,429.17	1,429.17
	18-0059	55266CYB6	MB FINL BK ILL 2.35 01/26/22	Open	01/26/18	250,000.00	250,000.00	250,000.00	0.00	0.00	4,394.18	81.60	81.60
	18-0060	58404DBA8	MEDALLION BK UTAH 2.40 01/26/22	Open	01/26/18	250,000.00	250,000.00	250,000.00	0.00	0.00	4,487.67	83.33	83.33
	18-0061	857894WJ4	STEARNS BK MINN 2.20 01/26/21	Open	01/26/18	250,000.00	250,000.00	250,000.00	0.00	0.00	4,113.67	76.39	76.39
	18-0062	27113PCG4	EAST BOSTON SVGS 2.30 07/30/21	Open	01/30/18	250,000.00	250,000.00	250,000.00	0.00	0.00	2,851.37	744.52	744.52
	18-0065	501798LQ3	LCA BANK CORPORATION 2.60 02/28/22	Open	02/28/18	246,000.00	246,000.00	246,000.00	0.00	0.00	3,171.72	1,154.83	1,154.83
	18-0067	856285JL3	ST BK IND NYC 3.00 03/06/23	Open	03/06/18	246,000.00	246,000.00	246,000.00	0.00	0.00	3,720.33	1,148.00	1,148.00
	18-0068	254673MW3	DISCOVER BANK 2.65 03/08/21	Open	03/07/18	246,000.00	246,000.00	246,000.00	0.00	0.00	3,286.29	977.85	977.85
	18-0070	75272LAD8	RANDOLPH SAVINGS BANK 2.60 03/09/22	Open	03/09/18	246,000.00	246,000.00	246,000.00	0.00	0.00	3,224.28	941.63	941.63
	18-0075	CD423	METRO 1.50 05/07/19	Open	05/07/18	1,000,000.00	1,000,000.00	1,000,000.00	0.00	0.00	6,287.67	1,000.00	1,000.00
	18-0084	CD075	METRO 1.50 06/07/19	Open	06/07/18	1,000,000.00	1,000,000.00	1,000,000.00	0.00	0.00	5,013.70	1,000.00	1,000.00
	19-0003	CD772	METRO 1.50 10/07/19	Open	10/07/18	100,000.00	100,000.00	100,000.00	0.00	0.00	0.00	100.00	100.00
	Certificate of Deposit Total					4,834,000.00	4,834,000.00	4,834,000.00	0.00	0.00	46,255.81	10,315.43	10,315.43
FFCB	17-0010	3133EGNK7	FFCB 1.32 07/27/20	07/27/17	07/27/16	3,000,000.00	3,000,000.00	2,920,680.00	0.00	0.00	79,200.00	10,340.00	10,340.00
	17-0022	3133EGVJ1	FFCB 1.16 09/26/19	09/26/17	09/27/16	3,000,000.00	3,000,000.00	2,958,750.00	0.00	96.67	69,600.00	3,383.33	3,480.00
	17-0077	3133EHMG5	FFCB 1.80 03/12/21	09/12/17	06/12/17	2,000,000.00	2,000,000.00	1,945,020.00	1,400.00	5,000.00	45,000.00	4,900.00	5,900.00
	18-0052	3133EHLH3	FFCB 2.15 07/26/22	01/29/18	01/23/18	1,850,000.00	1,850,000.00	1,791,373.50	20,442.50	9,778.02	29,831.25	10,496.18	20,108.47
	18-0053	3133EHLR9	FFCB 2.00 07/19/21	07/19/18	01/23/18	1,769,000.00	1,769,000.00	1,722,386.85	12,383.00	393.11	17,690.00	10,024.33	10,417.44
	FFCB Total					11,619,000.00	11,619,000.00	11,338,210.35	34,225.50	15,267.80	241,321.25	39,143.84	50,245.91
FHLB	16-0071	3130A8JZ7	FHLB 1.22 12/30/19	06/30/17	06/30/16	2,900,000.00	2,900,000.00	2,847,075.00	0.00	0.00	70,760.00	11,891.61	11,891.61
	17-0046	3130AAQV3	FHLB 1.67 04/30/20	01/30/18	02/02/17	2,400,000.00	2,400,000.00	2,358,672.00	0.00	6,828.44	60,120.00	10,131.33	10,354.00
	17-0066	3130AAQB7	FHLB 2.00 08/16/21	02/16/18	02/16/17	2,000,000.00	2,000,000.00	1,936,360.00	0.00	0.00	60,000.00	8,333.33	8,333.33
	FHLB Total					7,300,000.00	7,300,000.00	7,142,107.00	0.00	6,828.44	190,880.00	30,356.27	30,578.94
FHLMC	16-0051	3134G9JT5	FHLMC 1.35 11/26/19	08/26/16	05/26/16	1,500,000.00	1,500,000.00	1,477,200.00	525.00	0.00	40,500.00	8,718.75	8,718.75
	16-0070	3134G9WJ2	FHLMC 1.20 09/30/19	09/30/16	06/30/16	1,000,000.00	1,000,000.00	985,770.00	0.00	0.00	27,000.00	1,033.33	1,033.33
	17-0016	3134G9W37	FHLMC 1.45 08/10/20	11/10/16	08/10/16	1,500,000.00	1,500,000.00	1,460,580.00	0.00	0.00	43,500.00	4,893.75	4,893.75
	FHLMC Total					4,000,000.00	4,000,000.00	3,923,550.00	525.00	0.00	111,000.00	14,645.83	14,645.83
FNMA	16-0046	3135G0J95	FNMA 1.35 10/28/19	10/28/16	05/19/16	1,000,000.00	1,000,000.00	986,270.00	1,000.00	787.50	33,750.00	112.50	900.00
	16-0048	3136G3MQ5	FNMA 1.30 11/25/19	11/25/16	05/25/16	2,000,000.00	2,000,000.00	1,969,120.00	0.00	0.00	52,000.00	11,266.67	11,266.67
	17-0011	3136G3L37	FNMA 1.125 10/28/19	07/28/17	07/28/16	2,000,000.00	2,000,000.00	1,968,180.00	0.00	0.00	45,000.00	5,812.50	5,812.50
	17-0025	3136G34K8	FNMA 1.125 09/09/19	03/09/17	09/28/16	2,500,000.00	2,500,000.00	2,467,025.00	1,250.00	1,484.38	56,250.00	4,062.50	5,546.88
	17-0048	3136G4KD4	FNMA 1.75 06/29/20	06/29/17	02/03/17	2,000,000.00	2,000,000.00	1,963,920.00	0.00	3,305.56	52,500.00	11,861.11	15,166.67
	18-0054	3134G95P8	FNMA STEP 1.625 08/25/21	02/25/18	01/26/18	2,000,000.00	2,000,000.00	1,951,900.00	15,000.00	13,631.94	33,750.00	6,875.00	20,236.11
	18-0055	3136G3ZP3	FNMA STEP 1.50 07/28/21	04/28/18	01/23/18	2,000,000.00	2,000,000.00	1,970,340.00	2,000.00	14,583.33	30,000.00	10,333.33	24,916.66
	18-0056	3136G4QE6	FNMA 2.20 10/26/22	10/26/18	01/23/18	2,250,000.00	2,250,000.00	2,171,947.50	30,143.48	11,962.50	49,500.00	687.50	12,650.00
	FNMA Total					15,750,000.00	15,750,000.00	15,448,702.50	49,393.48	45,755.21	352,750.00	51,011.11	96,495.49
Money Market	AR-0001	MMKT FED - 5000638	Money Market	Open	07/01/99	161.39	161.39	161.39	0.00	0.00	1,652,555.73	0.00	0.00
	AR-0058	JPMORGAN MMKT - 00005017334	Money Market	Open	12/19/17	23,479.11	23,479.11	23,479.11	0.00	0.00	23,479.09	0.00	0.00
	AR-0059	GOLDMAN SACHS MMKT - 0188506760	Money Market	Open	12/19/17	38,997.47	38,997.47	38,997.47	0.00	0.00	38,997.47	0.00	0.00
	AR-0060	FEDERATED MMKT - 06090498885	Money Market	Open	12/19/17	23,589.20	23,589.20	23,589.20	0.00	0.00	23,589.17	0.00	0.00
	AR-0061	DREYFUS MMKT - 0616753258	Money Market	Open	12/19/17	37,282.77	37,282.77	37,282.77	0.00	0.00	37,282.76	0.00	0.00
	Money Market Total					123,509.94	123,509.94	123,509.94	0.00	0.00	1,775,934.83	0.00	0.00
Municipal Bond	15-0045	613357AF9	MONTG CO 2.44 11/01/19	Open	06/25/15	500,000.00	503,139.58	498,340.00	-10,110.42	1,830.00	36,600.00	6,100.00	7,930.00
	16-0065	64971WF39	NYC TRAN FIN AUTH-SUB 1.69 02/01/21	Open	06/23/16	1,350,000.00	1,354,159.52	1,306,975.50	-4,196.98	4,999.58	51,967.49	5,703.75	9,633.00
	17-0004	047681N20	ATLANTA ETC REC 2.41 12/01/19	Open	07/22/16	720,000.00	728,178.50	714,218.40	-16,791.10	2,440.96	34,643.17	7,230.00	9,688.20
	17-0012	555542LS6	MALCON-BIBB CNTY GA 3.00 12/01/20	Open	08/01/16	425,000.00	438,469.02	422,569.00	-14,096.48	2,104.72	25,439.17	5,312.50	7,437.50
	17-0027	64990E4G9	NY DORM AUTH C-TXBL 1.10 02/15/20	Open	09/30/16	1,000,000.00	1,000,000.00	976,680.00	0.00	1,138.20	21,052.78	2,322.22	2,750.00
	17-0028	64990EEL7	NYS DORM AUTH C-TXBL 2.12 03/15/21	Open	09/30/16	2,000,000.00	2,026,437.17	1,951,160.00	-22,462.83	1,766.67	84,800.00	5,417.78	7,184.45
	17-0029	64971WN97	NY TRANSITION TXBL 1.35 08/01/20	Open	09/30/16	2,625,000.00	2,634,067.84	2,550,240.00	-10,567.16	4,162.27	65,854.69	8,859.38	9,646.88
	17-0032	597137GZ5	MIDDLETOWN OH 2.053 12/01/20	Open	10/07/16	400,000.00	404,930.95	391,180.00	-4,745.05	2,831.62	16,363.17	3,421.67	6,113.38
	17-0051	696624AV7	CA PDTDEV 2.75 10/01/22	Open	02/06/17	1,000,000.00	998,155.93	993,400.00	775.93	3,235.92	45,909.72	2,291.67	2,750.00
	17-0059	485429Y32	KANSAS ST DEV AUTH 2.608 04/15/20	Open	02/08/17	775,000.00	782,838.15	768,040.50	-9,033.60	6,344.32	40,424.00	898.31	7,242.63
	17-0075	041042ZV7	ARKANSAS ST 2.875 06/01/21	Open	06/09/17	800,000.00	821,043.73	796,768.00	-10,956.27	511.11	23,000.00	9,583.33	10,094.44
	17-0076	64966HYC8	NEW YORK GO 4.774 03/01/20	Open	06/27/17	1,000,000.00	1,037,646.07	1,022,550.00	-37,013.93	15,382.89	71,610.00	7,956.67	23,339.56
	18-0071	64966MWH8	NYC GO 2.80 03/01/22	Open	03/13/18	2,500,000.00	2,509,309.86	2,463,975.00	-1,665.14	0.00	33,250.00	11,666.67	11,666.67
	Municipal Bond Total					15,095,000.00	15,238,376.32	14,836,096.40	-140,863.03	46,748.26	550,914.19	76,763.95	115,476.71
	Investment Total					58,234,347.34	58,377,723.66	57,159,013.59	-56,719.05	114,599.71	4,599,112.78	222,236.48	317,758.36

Total Portfolio Asset Allocation as of 10/31/2018

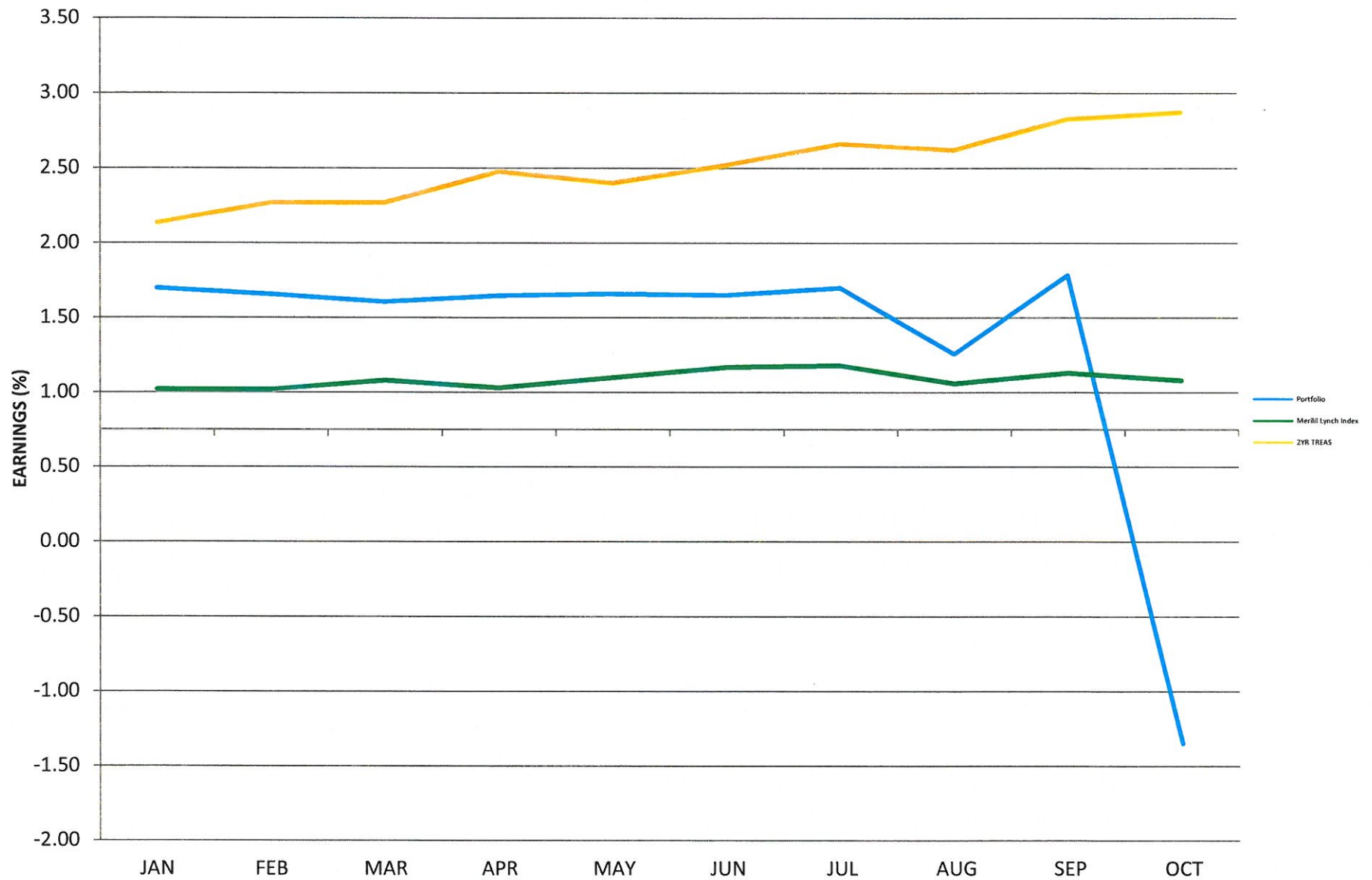


Investment Portfolio by Maturity as of 10/31/18



PORTFOLIO PERFORMANCE

Portfolio Performance as of 10/31/18



DATA ANALYSIS

Metro Cash Position

Balances declined for the month of October as expected. While declining cash balances are a normal occurrence at this stage in the cash cycle, the decline is also due, in part, to a conscious decision by Metro to hold debt issuance to a later than normal date. While the deferred issuance of debt caused lower than normal cash balances and a resulting liquidation of portfolio assets, the savings incurred in reduced interest expense because of the delay is substantial and material. Cash levels should normalize in the coming months as Metro will receive occupational taxes from the Revenue Commission as well as property taxes from the Sheriff's Office. This influx of funds will allow Metro to finalize implementation of its new debt strategy.

Asset Allocation

There was activity for the month of October to report.

Matured:	\$2,000,000	FHLB	1.05%	10/26/18	
	\$2,000,000	FHLMC	1.03%	10/12/18	
Sold:					
	\$2,000,000	FFCB	2.73%	2/14/22	\$2,000,000
	\$3,200,000	FFCB	3.17%	8/28/23	\$2,500,000
	\$1,750,000	FHLB	3.15%	6/7/23	\$2,000,000
	\$2,000,000	FHLMC	1.35%	11/26/19	\$2,000,000
	\$500,000	MUNI	2.285%	12/1/20	FNMA 1.05% 6/28/19

There were significant changes in allocation across all sectors of the portfolio. These can be attributed to the decrease in cash levels as well as the activity listed above.

Maturity Distribution

Maturity distribution changed significantly this month. The activity above was spread across all years of the portfolio with the heaviest hit being to 2019 and 2023 in the amount of roughly \$5 million each. The 2018 maturity dipped as well but this was expected as there are no remaining maturities set for this year. The activity above actually brought metro closer to a more evenly disbursed laddered portfolio that we've been striving to achieve this past year. Any idle funds to be invested will be placed in the later years in an attempt to finalize the desired portfolio structure.

Portfolio Performance

Performance declined this month as Metro liquidated a portion of its holdings to address the cash flow shortage that resulted from the delayed issuance of debt. While losses were incurred with this sale, they were completed with market status in mind and were minimized as such. Ultimately, Metro will enjoy net savings on the cost of debt that should more than offset this loss. We expect to see yields normalize in the coming months as the cash position returns to a normal level. Once the new debt strategy is fully implemented, any idle funds will be evaluated for investment purposes in an effort to capitalize on the rising rates. Until this occurs, performance will continue to lag behind the 2 year rate.

ECONOMIC UPDATE

ECONOMIC UPDATE

The much anticipated midterm elections are now over and it will be interesting to see what lies ahead. Democrats won the House and Republicans hold the Senate so how much gets done is anyone's guess at this point. The outcome was expected so the market reaction was somewhat limited. Any impact will likely come later as it's expected that the Democrat led House will hobble the Trump agenda when it comes to more tax cuts, funding for a border wall, and undoing Obamacare. The House could also open the way for numerous investigations into the Trump administration which could lead to a more substantial market reaction.

For the time being, the market is stable with the central bank reporting economic activity rising at a strong rate. This is not a big week for economic reports so things are relatively quiet on that front. Having said that, the Fed decided unanimously to leave rates unchanged. They cited strong economic growth, higher tariffs, and rising wages as all being set to spur inflation leaving the door open for the expected hike in December.

By keeping this door open, the Fed is sticking to their gradual upward path in an attempt to prolong the second longest US expansion on record. Current predictions are show a 76% probability of another rate hike in December. The Fed is also projecting another 70-100 bps of rate hikes between now and the end of 2019 which aligns with previous expectations. This could change as the persistence of US trade disputes, specifically with China, continues to pose downside risk to trade growth and inflation. Something to keep an eye on but it does appear to be significant enough at this point to sway Fed opinions.

Total Portfolio Shock Table

Lou / Jeff Cty Metro Finance

Effective Interest - Actual Life

Receipts in Period

10/31/2018

<i>Data Category</i>	<i>Down 300</i>	<i>Down 200</i>	<i>Down 100</i>	<i>Current</i>	<i>Up 100</i>	<i>Up 200</i>	<i>Up 300</i>
Current Par	58,471,509.94	58,471,509.94	58,471,509.94	58,471,509.94	58,471,509.94	58,471,509.94	58,471,509.94
Amor. Cost	58,547,470.30	58,547,470.30	58,547,470.30	58,547,470.30	58,547,470.30	58,547,470.30	58,547,470.30
Market Value	57,221,132.19	57,279,480.19	57,337,828.19	57,396,176.19	57,454,524.19	57,512,872.19	57,571,220.19
% Change	-0.30 (0.10)	-0.20 (0.10)	-0.10 (0.10)	0.00 (0.10)	0.10 (0.10)	0.20 (0.10)	0.30 (0.10)
Market Price	97.86	97.96	98.06	98.16	98.26	98.36	98.46
Market Yield	3.0778	3.0167	2.9557	2.8948	2.834	2.7732	2.7126
Gain / Loss	-1,326,338.11	-1,267,990.11	-1,209,642.11	-1,151,294.11	-1,092,946.11	-1,034,598.11	-976,250.11

The table above represents the interest rate risk of the investment portfolio of individual fixed income securities. By adjusting current market rates and by using the matrix pricing technique, the portfolio was subjected to an immediate interest rate shock of plus or minus 300 basis points. The results in weighted average total is presented above which details the projected market value, market price, total unrealized gain (loss) and percentage market value change from the current interest rate environment.